

Exhibits

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04-16-2003

U.S. Patent & TMOfc/TM Mail Rcpt Dt. #22

MONSTER CABLE PRODUCTS, INC.,

Opposer,

v.

JOEL BARRY SHAMITOFF,

Applicant.

Opposition No. 91152044

MEMORANDUM OF POINTS
AND AUTHORITIES IN
OPPOSITION TO MOTION FOR
SUMMARY JUDGMENT

Opposer owns a famous family of MONSTER marks, including the mark MONSTER itself, that are presently used for a variety of products and services and registered in several classes. Moreover, Opposer currently has plans to distribute plush toys under a MONSTER trademark. Applicant Joel Barry Shamitoff has filed an intent-to-use application to register the mark MONSTER in class 28 for toys and sporting goods, for use with plush toys. Presumably, Applicant's intended

use would be national or, possibly, even global. Applicant's mark is both likely to create confusion in the marketplace and likely to dilute Opposer's famous family of marks. Applicant's Motion for Summary Judgment should be denied because: (1) genuine issues of material fact exist with respect to likelihood of confusion, and (2) genuine issues of material fact exist with respect to dilution.

STATEMENT OF FACTS

Opposer owns a famous family of MONSTER marks, including the mark MONSTER itself. *See* Rusty Everett Declaration at ¶¶ 2-5, 7, and Peter Radsloff Declaration at ¶¶ 2-5. They are the leading sellers of consumer cable connectors and related electronic devices. They have used this mark and family of marks in national and international commerce since 1978, acquiring world-wide renown along the way for the quality of their products. *See* Rusty Everett Declaration at ¶ 3. They have sold over \$1 billion in product, almost invariably under a mark with "Monster" included, over the past five years, and their fame is widely recognized, especially among consumers in the consumer electronics market. *See id.* They own over thirty trademark registrations in that field (mostly in class 9), many of which reflect use dating back over twelve years, of "Monster" marks, including MONSTER itself.

In addition, Monster also has registrations in a number of other fields, and, as the result of natural expansion, plans to continue releasing products and to continue registering its marks in additional classes. *See id.* at ¶ 8. Specifically, Opposer currently uses character designs which it plans to duplicate in soft sculpture plush toys for production and distribution under a MONSTER trademark. *See id.*, and Robert Payne Declaration at ¶ 2. Consumers of plush toys also commonly

consume electronic devices and connectors. *See* Toney Barber Declaration at ¶ 2. “MONSTER” and “MONSTER CABLE” are marks commonly recognized as brand names referring to Monster Cable, the maker of consumer electronic items and connecting products, and, if a maker of plush toys brands distributes its products as “MONSTERSNAPS,” consumers may be confused as to its source, or the distinctiveness of the MONSTER brand name of Monster Cable would be blurred. *See id.* at ¶ 3.

Applicant Joel Barry Shamitoff has filed an application to register the mark MONSTER in class 28 for toys and sporting goods, and its intended use is presumably national or, possibly, even global. Applicant’s intended use its proposed mark is both likely to create confusion in the marketplace and likely to dilute Opposer’s famous family of marks.

APPLICANT’S MOTION FOR SUMMARY JUDGMENT

On or about March 27, 2003, Applicant filed the subject Motion for Summary Judgment.

Applicant makes essentially three arguments in support of his motion for summary judgment:

- (1) No genuine issue of material fact exists concerning likelihood of confusion and Applicant is entitled to a grant of summary judgment, because Applicant’s and Opposer’s products are different and because existing third-party use of common elements indicates that consumers do not rely on those common elements as source indicators;
- (2) No genuine issue of material fact exists concerning dilution and Applicant is entitled to a grant of summary judgment, because Opposer’s marks are not famous in the field of toys; and
- (3) No genuine issue of material fact exists concerning dilution and Applicant is entitled to a grant of summary judgment, because Opposer cannot establish *Moseley* “actual dilution” based on Applicant’s mere intent to use.

SUMMARY JUDGMENT STANDARD

Summary judgment is appropriate only when there is no genuine issue as to any material fact and the moving party is entitled to judgment as a matter of law. *City Management Corp. v. U.S. Chemical Co.*, 43 F.3d 244, 250 (6th Cir. 1994). We consider all facts and inferences drawn therefrom in the light most favorable to the non-moving party. *Id.* The central inquiry is "whether the evidence presents a sufficient disagreement to require submission to a jury, or whether it is so one-sided that one party must prevail as a matter of law." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 251-52, 106 S.Ct. 2505, 91 L.Ed.2d 202 (1986). The proper inquiry is whether the evidence is such that a reasonable jury could return a verdict for the non-movant. *Id.*

ARGUMENT

A. Applicant Is Not Entitled to a Grant of Summary Judgment Because Genuine Issues of Material Fact Exist Concerning Likelihood of Confusion, Regardless of Whether Applicant's and Opposer's Products Are Similar, and Regardless of Whether There Is Third-party Use of Common Elements.

Applicant argues that no genuine issues of material fact exist with regard to likelihood of confusion, because his and Opposer's products are different, and because third parties use the word "MONSTER" for toys. Applicant's arguments fail to demonstrate the absence of a genuine issue of material fact, because: (1) Applicant fails to consider the doctrine of natural expansion; and (2) Applicant fails to demonstrate the absence of a genuine issue of material fact with regard to the many factors that are actually used to determine likelihood of confusion.

It is well-settled under the doctrine of natural expansion that a trademark protects the owner against not only its use upon the articles to which he has applied it, but upon such other goods as

might naturally be supposed to come from him. *See L. E. Waterman Co. v. Gordon*, 72 F.2d 272, 273, 22 U.S.P.Q. 268 (2d Cir. 1934.) In the present case, Opposer owns a family of famous marks, registered in several classes. Opposer has sales exceeding \$1 billion over the past five years, and Opposer already has plans to produce and distribute plush toys under a MONSTER trademark.

None of Applicant's cited cases are remotely similar to the facts and circumstances in the present case. Applicant also mistakenly suggests that Opposer's products are only used to connect electronic components to one another. *See Applicant's Motion for Summary Judgment at 5.* Applicant seems to ignore Opposer's broad range of products and registrations already in existence, including, for example, shirts and services. In addition, completely ignoring the doctrine of natural expansion, Applicant suggests that, as a matter of law, a line of plush toys bearing a MONSTER trademark may not naturally be supposed to come from Opposer. At the very least, given the fame of Opposer's family of marks, the enormously broad range of Opposer's goods and services, as well as the fact that Opposer already intends to produce and distribute plush toys, the determination whether plush toys lie within Opposer's zone of natural expansion, or not, presents a genuine issue of material fact. Accordingly, a grant of summary judgment would not be appropriate.

Applicant goes on to suggest that, as a matter of law, third-party use of marks incorporating the word "MONSTER" for toys indicates that consumers do not rely on that common element as a source indicator, and, therefore, as a matter of law, there can be no likelihood of confusion. *See Applicant's Motion for Summary Judgment at 5-6.* Third-party use of similar marks is merely one of the many *DuPont* factors considered when determining whether likelihood of confusion exists.

See In re E.I. DuPont DeNemours & Co., 476 F.2d 1357, 1361, 177 U.S.P.Q. 563 (CCPA 1973)). Each of the numerous *DuPont* factors represents a question of fact. *See Bose Corporation v. QSC Audio Products, Inc.*, 293 F.3d 1367, 1370, 63 U.S.P.Q. 1303 (Fed. Cir. 2002). Accordingly, the determination of likelihood of confusion, itself, is *inherently an issue of fact*. Although *DuPont* sets forth several factors relevant to the determination of likelihood of confusion, it is unclear what weight should be given to the various factors. Clearly, it is the factfinder who would have decide how to weigh these factors relative to one another. No single factor clearly predominates all the others. Since Applicant has the burden of proving the absence of a genuine issue of material fact with regard to likelihood of confusion, Applicant must effectively prove that no reasonable jury examining each of the *DuPont* factors, individually or in combination, could reasonably find a likelihood of confusion.

Applicant's argument is limited to an assertion going only to one of the *DuPont* factors: third-party use. Applicant then concludes that there can be no likelihood of confusion, as a matter of law. First of all, the determination of this factor alone would present a genuine issue of material fact sufficient to defeat Applicant's Motion for Summary Judgment. At most, what Applicant has done by referring to third-party use is *create* a genuine issue of material fact with respect to at least one of the *DuPont* factors. More importantly, Applicant fails to address *any* of the remaining *DuPont* factors. Applicant cannot meet his burden on summary judgment without at least a cursory attempt to address each of the factors, and showing that no reasonable jury examining such factors, individually or in combination, could reasonably find a likelihood of confusion. Accordingly,

Applicant fails to show that no genuine issue of material fact exists with regard to likelihood of confusion.

B. Applicant Is Not Entitled to a Grant of Summary Judgment Because Genuine Issues of Material Fact Exist Concerning Dilution; Specifically, Opposer's Marks Are Famous, There Is No Requirement That They Be Famous in the Field of Toys, and the Issue of Whether Opposer's Marks Are Famous Is, Itself, a Genuine Issue of Material Fact.

Next, Applicant argues that he is entitled to summary judgment on Opposer's dilution claim because Opposer's marks are not famous in the field of toys. *See* Applicant's Motion of Summary Judgment at 6. First, despite Applicant's suggestion to the contrary, the anti-dilution statute does not require Opposer's marks to be famous in the specific field of toys. *See Avery Dennison Corporation v. Sumpton*, 189 F.3d 868, 873, 51 U.S.P.Q.2d 1801 (9th Cir. 1999) (in a dilution case, competition between the parties is not required.); *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 222, 51 U.S.P.Q. 1882, 1892 (2d Cir. 1999) (dilution can occur where the junior mark's use competes directly with the senior's mark, *as well as* where the junior use is *in a non-competing market*) (emphasis added); *see also Moseley v. V Secret Catalogue, Inc., et al.*, 123 S.Ct. 1115, 1124, 65 U.S.P.Q.2d 1801 (2003) (the statutory protection is not confined to identical uses of famous marks.). In addition, a genuine issue of material fact remains concerning whether the field of toys is, in fact, within Opposer's zone of natural expansion. *See* discussion, *infra*.

Second, one need look no further than the anti-dilution statute itself to appreciate the fact that the element of fame, itself, *is inherently an issue of fact*. The owner of a famous mark is entitled to an injunction against another person's commercial use of a mark or trade name if such use begins

after the mark has become famous and causes dilution of the distinctive quality of the mark. *See* 15 U.S.C.A. §1125(c)(1) (West 2003). In determining whether a mark is distinctive and famous, a court may consider several factors, including but not limited to: (A) the degree of inherent or acquired distinctiveness of the mark; (B) the duration and extent of use of the mark in connection with the goods or services with which the mark is used; (C) the duration and extent of advertising and publicity of the mark; (D) the geographical extent of the trading area in which the mark is used; (E) the channels of trade for the goods or services with which the mark is used; (F) the degree of recognition of the mark in the trading areas and channels of trade used by the marks' owner and the person against whom the injunction is sought; (G) the nature and extent of use of the same or similar marks by third parties; and (H) whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register. *See id.* To prove dilution, plaintiff must show, among other things, that its mark is famous. *See Avery Dennison Corporation v. Sumpton*, 189 F.3d at 873-874.

Although the statute sets forth several factors relevant to the determination of fame and dilution, it is unclear what weight should be given to the various factors. Clearly, it was Congress' intent that the factfinder decide how to weigh these factors relative to one another. No single factor clearly predominates all the others. Since Applicant has the burden of proving the absence of a genuine issue of material fact with regard to dilution, Applicant must effectively prove that no reasonable jury examining each of the famous factors, individually or in combination, could reasonably find fame. If applicant fails to do so, a grant of summary judgment would not be

appropriate. If Applicant does meet its burden, then a grant of summary judgment would still not be appropriate if Opposer presents substantial evidence going to at least one of these factors.

Applicant goes on to suggest that the incorporation by third parties of the word "MONSTER" into their marks for toys indicates that Opposer's family of marks cannot, as a matter of law, be famous, or at most they may have acquired only "niche market fame." See Applicant's Motion for Summary Judgment at 7. The federal anti-dilution act does not require the courts to recognize the phenomenon of niche fame. See J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition*, vol. 4, §24:112.1 (2002). The theory of niche market fame is inappropriate in this case, given the scope and scale of Opposer's commercial activity, reputation and the doctrine of natural expansion. *Supra*. Even if the Board determines that the theory of niche market fame should be evaluated in the context of the present case, Applicant's assertion is not sufficient to support the granting of summary judgment, because the issue of fame, or fame in a niche, would remain *inherently a question of fact* that can only be determined after examining the statutory factors. Accordingly, a grant of summary judgment concerning dilution would not be appropriate because a genuine issues of material fact exist concerning whether Opposer's marks are famous generally, or famous only in a specific niche.

Third, the question of whether Opposer's family of marks is famous has, in fact, already been examined by the Board in a recent, similar summary judgment motion. See *Monster Cable Products, Inc. et al. v. Brunswick Bowling & Billiards Corp.*, TTAB Opposition No. 91124683 (Feb. 13, 2003) at 5-6, Exhibit A. In *Brunswick*, the applicant sought registration of the "MONSTER" mark for

bowling balls, and argued that its product was “vastly different” from Monster Cable’s products. *See id.* at 1-3. In addition, the applicant in *Brunswick* argued that Monster Cable’s marks are not unique and not famous. *See id.* at 5. The Board concluded “Here, at a minimum, genuine issues of material fact exist as to whether Opposer’s [Monster Cable’s] mark(s) are famous in the context of a dilution claim, and, if so, whether applicant’s [Brunswick’s] use of its mark on bowling balls causes dilution of the distinctive quality of Opposer’s mark(s). Accordingly, applicant’s motion for summary judgment on dilution is denied.” *See id.* at 6.

In the present case, Applicant’s argument on summary judgment on dilution is virtually identical to that considered, and rejected, in *Brunswick*. *See id.* at 6. Accordingly, Opposer’s respectfully request that the Board take judicial notice of its recent finding in *Brunswick*, and that the Board deny Applicant’s Motion for Summary Judgment on dilution because a genuine issue of material fact exists with regard to whether Opposer’s marks are famous.

Fourth, if the Board determines that Applicant met its burden to show the absence of a genuine issue of material fact with regard to dilution, i.e., that no reasonable jury could find Opposer’s family of marks famous, summary judgment should still be denied because Opposer propounded substantial evidence creating genuine issue of material fact with regard to fame. It is important to remember that the TTAB wears two hats: at trial it is the factfinder and body that applies the law to the facts. However, on a summary judgment motion it must defer and restrict its role: it is *not* a factfinder and it may not engage in weighing the facts presented at that stage. Rather, its role is to screen only, to determine whether a mythical fact finder would have sufficient facts

upon which it *could* rule in favor of the party responding to the summary judgment motion. That is the only issue before us today.

Clearly, a genuine issue of material fact exists with regard to dilution because Applicant intends to use Opposer's house mark to sell its product. Given the history and scope of Opposer's commercial activity, reputation of its mark, and stated intent to produce and distribute plush toys under one of its MONSTER marks, Applicant's proposed use will invariably have a diluting effect. Moreover, a genuine issue of material fact exists concerning whether persons within Applicant's channels of trade and marketing base are aware of both marks and that Applicant's use would tend to blur the distinctiveness of the fame of the MONSTER family of marks

Even if one could not dispose of this motion by the ready recognition that summary judgment is particularly and inherently ill-suited to famous mark issues, Monster has produced sufficient evidence to defeat the motion by showing, *prima facie* at least, that it has a famous mark MONSTER and famous family of Monster marks. Monster's mark and family of marks are famous for one, overridingly simple reason: the marks are recognized worldwide and nationwide by a substantial number of consumers as referring to Monster and its products. The Federal Circuit set forth the principal basis for determination of fame: A famous mark is one "with extensive recognition and renown." *See Bose Corp. v. QSC Audio Products, Inc.*, 293 F.3d at 1371. The statutory factors are to be considered in light of that standard. Accordingly, a grant of summary judgment would not be appropriate in this case because a genuine issue of material fact exists concerning whether Opposer's marks are widely recognized.

The fame of a mark may also be measured indirectly, among other things, by the volume of sales and advertising expenditures of the goods traveling under the mark, and by the length of time those indicia of commercial awareness have been evident. *See, Bose, supra*, at 1371 (citing *e.g.*, *Nina Ricci, S.A.R.L. v. E.T.F. Enters., Inc.*, 889 F.2d 1070, 1072, 12 U.S.P.Q.2d 1901, 1902 (Fed. Cir.1989) (NINA RICCI for perfume, clothing and accessories: \$200 million in sales, over \$37 million in advertising over 27 years); *Kimberly-Clark Corp. v. H. Douglas Enter., Ltd.*, 774 F.2d 1144, 1146-47, 227 U.S.P.Q. 541, 542 (Fed. Cir.1985) (HUGGIES for diapers: over \$300 million in sales over 9 years, \$15 million in advertising in one year); *Specialty Brands Inc. v. Coffee Bean Distribs., Inc.*, 748 F.2d 669, 674-75, 223 U.S.P.Q. 1281, 1284 (Fed. Cir.1984) (SPICE ISLANDS for teas, spices and seasonings: \$25 million annually in sales for spices, \$12 million between 1959 and 1981 for tea, "several million" in advertising, in use for 40 years); *Giant Food, Inc. v. Nation's Foodservice, Inc.*, 710 F.2d 1565, 1567-68, 218 U.S.P.Q. 390, 392-93 (Fed. Cir.1983) (GIANT FOOD for supermarket services and food products: sales over \$1 billion in one year, "considerable amounts of money" in advertising, 45 years use); *DuPont*, 476 F.2d at 1361, 177 U.S.P.Q. at 567; and *Planters Nut & Chocolate Co. v. Crown Nut Co.*, 50 C.C.P.A. 120, 305 F.2d 916, 917-18, 134 U.S.P.Q. 504, 506 (CCPA 1962) (MR. PEANUT DESIGN for nuts and nut products: \$350 million in sales, \$10 million in advertising over 10 years).) As the foregoing precedent illustrates, the courts have consistently accepted statistics of sales and advertising as indicia of fame: when the numbers are large, the courts have tended to accept them without any further supporting proof.

Such other, significant evidence has been propounded here. Other corporations recognize

the fame of the Monster mark and seek to capitalize on it through co-venturing and licensing arrangements. A subsidiary of Disney approached Monster on that basis, leading to a national campaign promoting Disney's DVDs and VHS tapes. (See Peter Radsliff Declaration at ¶ 3.)

As indicated below, magazine and newspaper articles have attested to the fame of Monster's marks, nationally and globally. (Examples: "Audiophiles universally recognize the Monster brand as the Rolls Royce...." (GameWeek, 2000); "Monster Cable Products is always one of the leading contestants in the audio cable market and offers loudspeaker – and components – in the price frame from under 100 to more than a thousand (!) [German] marks." (German publication Camcorder & Co)¹; "Standing out from the innumerable 'must buy' appendages [for Sony's PlayStation2] are Monster Cable's cables." (Palm Beach Post, 2000); President nominated for Ernst & Young's Entrepreneur of the Year 2001 (SF Business Times, 2001); "The Head Monster made it into the Hall of Fame" (World Trade, 1994 cover); (See Rusty Everett Declaration at Ex. A.) Additionally, references present on the Internet echo this widespread recognition. (Examples: "There's no need to introduce you to the Monster Cable HiFi Company since it is maybe the best known cable Company in [sic] the planet." "Even Home Depot stocks quantities of Monster Cable, a very well known brand. I often have people...ask me about Monster Cable in particular...." See Robert Payne Declaration at Ex.B.)

There are the explicit statements of recognition reported in the declarations of Peter Radsliff

¹ Monster Cable Products ist immer noch einer der führenden Wettbewerber im Audio-Kabelmarkt und bietet Lautsprecher – und Komponenten – Verbindungskabel im Preisrahmen von unter 100 bis zu mehreren tausend (!) Mark an." from online translation.

and Rusty Everett. (Examples: "I have consistently heard from hundreds of people I have met, of their ownership and enjoyment of Monster Cable Products. I'm still amazed at how pervasive and recognized the Monster brand has become." "This is because of many comments from friends and acquaintances that express recognition of the Monster Cable brand even though they do not own, nor even accurately describe the type of products sold by Monster Cable." Customer comment: "Most of my friends in Pakistan are now using Monster Cable." (See Peter Radsliff and Rusty Everett Declarations.²) Next, there is the fact of long-term usage on a national and global scale with respect to Monster's family of marks, of which the Notice of Opposition identified approximately 25. (See *also* below.) So too, Monster's substantial sales nationally and internationally and promotional material are a piece of evidence supporting a finding of fame.

Finally, if the Board determines that Applicant has met its burden with respect to summary judgment on dilution, the following examination of the statutory factors used to determine fame, clearly illustrates that a genuine issue of material fact still exists:

(A) *The degree of inherent or acquired distinctiveness of the mark.* Monster's marks are highly and inherently distinctive. They do not describe products which have reference to hideous creatures (such as a Monster halloween mask or a Monster horror film). They do not refer or describe even "large" products – Monster's product line is generally speaking within the same size parameters as their competing products. Instead, the MONSTER mark and family of Monster marks

²Such statements are admissible on this motion, because they are not submitted for the truth of the matter asserted (but rather to reflect the awareness or belief of the speaker) and/or they are offered to reflect the declarant's state of mind.

refers to a line of consumer electronics goods used in connection with or for audio, music, video, computer, gaming and related devices. The declarations and documents produced in opposition reflect the high degree of distinctiveness of the mark and family of marks that have developed among both customers and non-customers of Monster alike. (See above regarding recognition.)

(B) The duration and extent of use of the mark in connection with the goods or services with which the mark is used. Monster's marks are also famous in the United States. Its products bearing its mark have been sold in the U.S. since 1978 (25 years ago), and Monster has sold over \$1 billion in product over the past five years, primarily under the MONSTER or Monster family of marks. MONSTER is now the preeminent mark in connection with the above lines of goods, as shown by the 30+ MONSTER registrations which are part of the record before the TTAB on this opposition.

With first use beginning in 1978, the string of marks whose first use in commerce extends back more than twelve years includes the following: MONSTER for Class 9, namely electrical and music signal transmitting cable connectors; MONSTER for Class 16, namely newsletters, magazines, catalogs and newspapers providing entertainment industry and cable industry news; MONSTER STYLE for Class 41, for educational services, namely conducting classes and seminars in the field of audio systems; MONSTER CABLE for Class 9 for electrical signal transmitting cable and connectors; MONSTER CABLE for Class 9 for musical and voice signal transmitting cable and connectors; MONSTER DESIGN for Class 9, cable connectors for use with audio equipment; MONSTER MUSIC for Class 9, compact discs; MONSTER VIDEO for Class 9 for video cables; MONSTER TIPS for Class 9 for electrical audio connectors for connections of home stereo and

video components; MONSTER CONNECTION for Class 16 for newsletters about consumer electronics; and I AM A MONSTER for Class 25, namely tee shirts and jackets. Other marks are also involved, as noted in the Notice of Opposition. See Notice of Opposition. Opposer respectfully requests that the Board take judicial notice of its own records in connection with these registrations.

(C) The duration and extent of advertising and publicity of the mark. As reflected by their obvious commercial success and recognition, including the documents attached to the Rusty Everett Declaration, Monster has engaged in extensive promotion and publicity, worldwide.

(D) The geographical extent of the trading area in which the mark is used. Monster's family of Monster marks is famous worldwide. Monster sells products bearing the MONSTER trademark or family of Monster trademarks in over 70 countries, shipping approximately \$1 billion in product over the past five years. It has received international recognition for the quality of its goods and thus the value of its brand, as reflected in the Peter Radsliff and Rusty Everett Declarations. Monster's marks are prominent in sales throughout the United States, and the U.S. trademark registrations are presumptive evidence of the nationwide reach of this usage in every state of the Union.

(E) The channels of trade for the goods or services with which the mark is used. Monster's channels of trade generally include all normal channels for the sale and marketing of audio, video, computer, electronic game peripheral, music and cable product-related goods, including but not limited to wholesale distributors, specialty electronics, general retail outlets and the Internet. Applicant's channels of trade would presumably include specialty and general retail outlets as well

as the Internet. Note, however, that the relatedness of goods, or lack thereof, does not militate against Monster's famous mark claim. Again, dilution does not require that goods be similar or related. *See Bose, supra*, (citing *Recot, Inc. v. Becton*, 214 F.3d 1322, 1327-28, 54 U.S.P.Q.2d at 1897 (Fed. Cir. 2000) (held that the Board erred in discounting the significance of admitted fame where the goods in question were unrelated.)).

(F) *The degree of recognition of the mark in the trading areas and channels of trade of the mark's owner and the person against whom the injunction is sought.* All of the discussion above applies here. Monster's fame extends outside the products Monster sells. Monster's fame extends to non-consumers of its products, including especially consumer electronics product purchasers as well as consumers generally. *See* Peter Radsloff Declaration at ¶¶ 2, 4. Buyers who frequent national chains that specialize in consumer electronic goods, such as Circuit City, invariably see and become aware of Monster's brand name, even if they do not purchase cable or come to purchase it. (Declaration of Peter Radsloff at ¶ 4.) ("[N]o customer can leave the [electronics] store without becoming cable-conscious. In a GoodGuys shop near San Francisco, Monster cables visibly hook up every active product display. The Monster name is printed on canopies above the sales racks, and its packages are lined up like invading army troops on the shelves." *Forbes*, 1998, *See* Rusty Everett Declaration at Ex. A.) Even though Monster does not currently produce or distribute plush toys, its fame *does* reach into Applicant's trading area. Plush toy consumers also purchase consumer electronics and accessories. Accordingly, a genuine issue of material fact exists concerning whether a substantial number of purchasers of Applicant's goods purchase the class of goods in which

Monster's fame is well known, even if Opposer's marks are not famous to all consumers.

Moreover, the recognized high quality of Opposer's products in association with the Monster marks extends the reach and depth of their fame for dilution purposes. *See Bose, supra*, at 1375 (examining the reputation of ROLLS-ROYCE and concluding that a similar reputation supports a finding of fame.).

(G) *The nature and extent of use of the same or similar marks by third parties.* Shamitoff pins much of its argument on this one factor, suggesting that third-party use alone is sufficient to preclude a fame finding. This suggestion completely ignores the importance at least seven other factors, enumerated by the statute. Regardless, Applicant's argument simply seems to *create* a genuine issue of material fact with regard to this one factor. The factfinder would still have to examine whether the cited uses are generally known or seen by the broad consuming public and that a blurring is likely to result. To the extent the third party use is certainly relevant to creating an issue of fact, but does not necessarily dispel it. Moreover, no evidence has been introduced regarding: (1) the impact of these marks, generally or specifically, (2) whether any of those marks are currently involved in trademark proceedings with Opposer, or (3) whether any of the marks in question may be under the control or license of Opposer, an issue hampered by confidentiality agreement requirements between the parties involved.

Accordingly, genuine issues of material fact remain regarding the famousness of Monster's MONSTER mark and family of marks, even if this factor were the *only* factor in question. Still, genuine issues of material fact remain when this is only one of several factors the trier-of-fact must

weigh.

(H) *Whether the mark was registered.* As already shown, the MONSTER mark is registered in several classes, and the family of MONSTER marks has numerous registrations. This serves to create and evidence an umbrella of protection and recognition for the family of MONSTER marks.

Clearly, Applicant has failed to address, even summarily, the many factors to be considered in determining whether Opposer's marks are famous. Accordingly, Applicant has failed to meet its burden on summary judgment. Even if the Board determines that Applicant has met its burden, the evidence in the record shows that genuine issues of material fact exist with regard to the fame of Opposer's marks, and, as a result, with regard to dilution. Accordingly, Applicant's Motion for Summary Judgment should be denied.

C. Applicant Is Not Entitled to a Grant of Summary Judgment Because Genuine Issues of Material Fact Exist Concerning Dilution; *Moseley* "Actual Dilution" Cannot Logically Be Proven, And, Indeed, It Is Not Required for an Opposition to an Intent-to-use Application.

Applicant argues that *Moseley v. V Secret Catalogue, Inc., et al.*, 123 S.Ct. 1115, 65 U.S.P.Q.2d 1801 (2003) unambiguously requires "actual dilution," and since Applicant is not actually using the mark yet, logically, "actual dilution" cannot be proven. *See* Applicant's Motion for Summary Judgment at 8. However, the *Moseley* case involved a situation of actual use of a mark, not merely an intent to use. Justice Kennedy's concurrence may be informative on the issue raised by Applicant. Justice Kennedy pointed out that diminishment of the famous mark's capacity can be shown by the *probably consequences* flowing from use or adoption of the competing mark. *See id.* at 1126 (emphasis added). Justice Kennedy referenced the purpose of injunctive relief as

being to prevent future wrong, although no right has yet been violated. *See id.* Justice Kennedy further reasoned that the holder of a famous mark should not be forced to wait until the damage is done and the distinctiveness of the mark has been eroded. *See id.* Finally, Justice Kennedy observed that the Court's decision did not foreclose injunctive relief on remand if respondents could present sufficient evidence of either blurring or tarnishment. *See id.*

Applicant himself noted the logical discontinuity between his assertion and the Trademark Trial and Appeal Board's ruling in *Toro Co. v. ToroHead Inc.*, 61 U.S.P.Q.2d 1164 (TTAB 2001). *See* Applicant's Motion for Summary Judgment at 8, n.2. In *Toro*, the Board specifically examined the issue of whether a dilution claim can be raised against an application that is based on an intent to use, given the fact that the mark had not yet actually been used in commerce. *See id.* at 1174. The Board reasoned that, if marks based on an intent to use could not be opposed on the ground of dilution, the intent of Congress that such dilution cases be timely, economically and expeditiously decided by the Board would be frustrated. *See id.*

Accordingly, an application based on intent to use was found to satisfy the commerce requirement of the anti-dilution statute, despite the fact that there was no actual commercial use in commerce. *See id.* Applicant's attempt to apply the *Moseley* ruling to dilution cases involving an intent to use, if successful, would clearly frustrate the intent of Congress that such claims be timely, economically and expeditiously handled by the Board rather than District Courts. Accordingly, Applicant's motion for summary judgment on dilution based on the *Moseley* "actual dilution" rule, should be denied.

SUMMARY AND CONCLUSION

Opposer respectfully submits that Applicant failed to meet its burden of showing the absence of genuine issues of material fact with respect to likelihood of confusion and dilution. This is primarily due to the fact that Applicant failed to address the many factors that would have been necessary for a grant of summary judgment on those two theories. In addition, the Board in a recent, similar case has already examined and rejected virtually identical arguments for summary judgment concerning whether Opposer's marks are famous. For all the reasons stated herein, and based on the evidence submitted by Opposer going to nearly every statutory factor, it is clear that genuine issues of material fact clearly still remain with respect to both likelihood of confusion and dilution. Accordingly, Opposer respectfully requests that the Board deny Applicant's Motion for Summary Judgment on likelihood of confusion and dilution.

Respectfully submitted,
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Dated: April 16, 2003

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IN THE
UNITED STATES PATENT AND TRADEMARK OFFICE
TRADEMARK TRIAL AND APPEAL BOARD

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In the matter of Trademark Registration Application Serial No. 76/278,209 published in the Official Gazette (Trademarks) on January 31, 2002:

MONSTER CABLE PRODUCTS, INC.)
)
v.)
)
JOEL BARRY SHAMITOFF)
)

Opposition No. 91152044

TRANSMITTAL LETTER

BOX TTAB - NO FEE
Commissioner for Trademarks
2900 Crystal Drive
Arlington, Virginia 22202-3513



04-16-2003
U.S. Patent & TMO/TM Mail Rcpt Dt. #22

Dear Madame:

In connection with the above-referenced trademark application, transmitted herewith are the following:

1. Opposer's Memorandum of Points and Authorities in Response to Applicant's

Motion for Summary Judgment (21 pages);

2. Declaration of Robert W. Payne in Opposition to Motion for Summary Judgment with exhibits (19 pages);
3. Declaration of Rusty Everett in Opposition to Motion for Summary Judgment with exhibits (35 pages);
4. Declaration of Peter Radsloff in Opposition to Motion for Summary Judgment with exhibits (4 pages);
5. Declaration of Toney Barber in Opposition to Motion for Summary Judgment with exhibits (2 pages);
6. Post card in acknowledgment of receipt of all transmitted materials.

Please date-stamp the enclosed post card and return same to the undersigned in acknowledgment of receipt of all transmitted materials.

Respectfully submitted,

LARIVIERE, GRUBMAN & PAYNE, LLP

April 16, 2003

By



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